

When will Montgomery stand up to Annapolis?

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The 2013 session of the Maryland General Assembly opened this week, and Montgomery County residents can be forgiven if their first instinct was to hide their wallets. The recent record has not been good. The county gets back in direct state aid only 19 cents of every tax dollar it sends to Annapolis. Tens of millions of dollars of teachers' pension costs were shifted to Montgomery taxpayers last year, while the county officials who make budget decisions were handcuffed on school spending. Meanwhile, the Maryland Transportation Authority engaged in highway robbery of Montgomery commuters.

Gov. Martin O'Malley and the General Assembly are clobbering Montgomery County. It's time for the county's leaders to push back hard.

No other Maryland county is being squeezed like Montgomery. Howard County, which has a higher median income and a much smaller percentage of children living in poverty than Montgomery, gets back 26 cents per tax dollar sent to the state, according to an analysis by the state's Department of Legislative Services. Carroll and Frederick Counties get back 43 and 44 cents, respectively, and Prince George's gets back 64 cents.

Last year, O'Malley and the General Assembly caved in to lobbying by teachers unions and made the "maintenance of effort" school funding law an inflexible requirement for counties — enforceable by state seizure of local income tax revenue. As a result, any appropriation above the minimum required in one year automatically becomes next year's minimum, making it fiscally irresponsible for a county to exceed those minimums, even during flush economic times. Only the State Board of Education — hardly a neutral body — can grant a waiver.

No one disputes that teachers and school support staff do essential work, and Montgomery has invested heavily in public education. But this deeply flawed law puts at risk all other critical services — such as police, fire and rescue, libraries, child welfare and parks — by tying the hands of county officials trying to balance competing needs. That's why the Greater Bethesda-Chevy Chase Chamber of Commerce wrote to Montgomery County's representatives in Annapolis this week to decry "the extraordinarily negative effects" that maintenance of effort will have on Montgomery County starting in fiscal 2014 and "compounding year after year thereafter." The chamber urged the lawmakers to correct in 2013 the errors made in 2012.

Also last year, the governor and General Assembly shifted a substantial portion of teachers' pension costs to counties, even though county governments don't set teachers' salaries or the state's pension formula and have no control over how the state invests pension funds. The legislature took this indefensible action in response to a problem of its own making. In 2006, the General Assembly dug itself into a fiscal hole when it approved a 29 percent increase in pension benefits for teachers and made it retroactive to

1998. Rather than dealing directly with that unsustainable commitment, lawmakers decided to stick counties with some of the bill. Montgomery, because of its large number of teachers and high average salaries, was hit hard.

Making matters worse, Montgomery's Board of Education approved two pay increases for school personnel for fiscal 2013, increasing future pension obligations for county and state taxpayers. This wasn't the state's fault, of course, but it illustrates the problem with the pension shift: Now that the governor and General Assembly have made county taxpayers increasingly responsible for paying teachers' pensions, they need to give counties authority over pay and benefit increases for school personnel.

The state also needs to stop shortchanging Montgomery with regard to school construction funding. Although the county educates about 17 percent of Maryland's public school students, this week the state decided to designate for Montgomery only 11 percent of the initial state funding for statewide school construction in fiscal 2014. Last year the county ended up with 12 percent. County lawmakers must object loudly; silence only encourages state officials to continue underfunding Montgomery.

Meanwhile, the Maryland Transportation Authority, whose members are appointed by the governor, is pricing Montgomery's commuters off the multibillion-dollar Intercounty Connector (ICC) highway. Regular commuters who use the Bay Bridge, Fort McHenry Tunnel and other tolled roads in the state pay as little as 25 percent of the base toll, but regular commuters on the ICC get no discount. The \$2,000 annual cost of commuting on the ICC from Interstate 370 in Gaithersburg to Interstate 95 in Laurel during rush hour deters many people from using the nearly empty 18-mile highway. The transportation authority needs to dramatically lower these tolls, at least for regular commuters, to stop this waste of the highway's capacity.

Strikingly, only a few members of Montgomery's 32-member delegation to Annapolis voted against the pension shift, and only one — Sen. Brian Frosh — stood up to the teachers unions and voted against the draconian maintenance-of-effort law. Very few have challenged the state's use of Montgomery as an ATM or tried to get the transportation authority to treat Montgomery commuters better.

This has to change. If Montgomery's state senators and delegates don't stand up for the county as a united delegation, Annapolis will continue to treat Montgomery's taxpayers as doormats.

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